

IRS News Release

Media Relations Office

Washington, D.C.

Media Contact: 202.622.4000

www.irs.gov/newsroom

Public Contact: 800.829.1040

Late Tax Scam Discovered; Free File Users Reminded to Use IRS.gov

IR-2007-87, April 13, 2007

WASHINGTON — The Internal Revenue Service learned late Friday of a new tax scam on the Internet that lures taxpayers into filing tax information on a site masquerading as a member of the Free File Alliance. The IRS reminded taxpayers the only place to access the Free File program is through the official IRS.gov Web site.

"The final days of the tax season always bring tax scams," IRS Commissioner Mark W. Everson said. "Make sure you're really dealing with the IRS. Taxpayers can feel safe using Free File, but the only way to do it is through the secure IRS.gov Web site."

The latest twist on tax scams involves tax preparation Web sites that inaccurately say they are part of the Free File Alliance, a partnership between 19 tax software companies and the IRS. The IRS is working with the Treasury Inspector General for Tax Administration to look into allegations that the Web sites accepted tax information from taxpayers, changed the taxpayers' bank account numbers to their own and then filed the return through a legitimate Free File partner.

Taxpayers can avoid this problem by using the official Free File site on IRS.gov. Seventy percent of the nation's taxpayers are eligible to use the free electronic filing system.

The IRS stressed that Free File is a great way for taxpayers to get a refund quickly or schedule their tax payment for April 17. To qualify for Free File, taxpayers need to have an adjusted gross income of \$52,000 or less. Ninety-five million out of the 136 million taxpayers meet this qualification.

The only way to access this program is through the IRS's Web site, IRS.gov. Click "2007 Free File" on the home page. Then, click "Start Now." Taxpayers can use the "Guide Me to a Company!" wizard to help decide which software to choose using criteria such as the state they live in, their estimated AGI and their age.

If taxpayers owe money, they can use Free File to electronically file their return on time and schedule their payment on the last possible day, April 17. As with any e-file product, Free File reassures taxpayers they have filed on time by issuing an acknowledgment from the IRS saying the return has been received.